



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

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**FOR IMMEDIATE RELEASE**

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**SIXTEEN INDICTED IN AUSTIN AREA MORTGAGE FRAUD SCHEME**

**United States Attorney Johnny Sutton** announced that a federal grand jury late yesterday afternoon returned an indictment charging sixteen individuals for their roles in a multi-million dollar mortgage fraud scheme.

Charged with conspiracy to commit fraud and conspiracy to commit money laundering are:

- Cornelius Robinson, age 47, of Austin, Texas, leader and organizer of the conspiracy;
- Silvia Seelig, age 45, of Austin, who during the conspiracy, was a licensed real estate agent and an alleged straw buyer;
- George H. Watson, age 55, of Austin, a licensed attorney who specializes in real estate transactions. Watson served as the closing attorney on numerous real estate transactions associated described in the Indictment;
- James Douglas Atwood, age 51, of Austin, Cornelius Robinson's uncle and an alleged straw buyer;
- Michael Breon, age 39, of Austin, an associate of Cornelius Robinson and an alleged straw buyer. Breon, a licensed loan officer and mortgage broker, was employed by several different loan origination and mortgage companies during the conspiracy;
- Sindu Sukumaran, age 36, wife of Michael Breon and an alleged straw buyer;
- Doris Ann Hill, age 40, of Austin, a personal banker employed at Wells Fargo Bank. For a fee, Hill allegedly agreed to provide a false verification of deposit to loan underwriters in relation to real estate transactions.
- Julius Meyers Lofton, a 45-year-old licensed real estate agent living in Austin and an alleged straw buyer;
- Roy Rivers, age 52 of Austin, friend of Cornelius Robinson and James Atwood and an alleged straw buyer;
- Danielle Guice Rosas, a 40-year-old resident of Austin and an alleged straw buyer;
- Stanley Ma, a 27-year-old resident of the Honolulu, Hawaii area and an alleged straw buyer;
- Leonard Brown, age 38, of Houston, Texas, and an alleged straw buyer who also allegedly provided a false verification of employment in association with Onyx Consulting and defendant Ma;
- Russell Snead, a 43-year-old resident of the Seattle, Washington area, an associate of Cornelius Robinson and an alleged straw buyer;
- Marlon Nathan Torres, age 45, of Hutto, Texas, an associate of Cornelius Robinson;
- Jeffrey Andre Wilkins, age 46, of Austin, a friend of Cornelius Robinson and an alleged straw buyer; and,
- Leroy Williams, a 46-year-old resident of Austin and an alleged straw buyer.

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The indictment (Cause #: A 08 CR 001) alleges that from September 1999 to present, the defendants participated in a scheme to defraud mortgage lenders, including federally insured financial institutions, with regard to loans acquired to purchase 25 properties in the Austin and San Antonio area. The scheme centered upon the use of real estate “flips.” That is, the defendants purchased property at one price and would immediately sell, or “flip,” the property to a “straw buyer” at a higher price. In doing so, the mortgage lenders were deceived as to the true nature of the transaction and the financial status of the “straw buyer.” The straw buyers did not make the subsequent monthly mortgage payments and all of the loans have gone into default. All of loans have been either foreclosed upon or are the subject of current foreclosure proceedings.

Each defendant faces up to 30 years in federal prison upon conviction of the fraud conspiracy charge; up to 20 years in federal prison upon conviction of the money laundering conspiracy charge. In addition to the conspiracy charges, the indictment contains several substantive charges including wife fraud, false statements and receipt of commission or gift for procuring loans.

It is important to note that an indictment is merely a charge and should not be considered as evidence of guilt. The defendants are presumed innocent until proven guilty in a court of law.

This case was investigated by the Federal Bureau of Investigation. It is being prosecuted for the government by Assistant United States Attorney Mark Lane.

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